

FISCAL MEMORANDUM

HB 1220 – SB 1851

May 7, 2007

SUMMARY OF AMENDMENT (007908): Requires the Commissioner of Revenue to develop a program that promotes the recycling of used or outdated license plates. The Department may enter into contractual agreements with nonprofit organizations for the collection and disposal of the plates. Such contracts shall not require the Department to incur any expenses or responsibilities for the collection and disposal of the plates. Requires each county courthouse to designate a site for a bin to collect the license plates. The original bill required persons to deposit used license plates with the Department of Revenue or its agents.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Net Impact – Less than \$100,000

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenues – Not Significant
State Expenditures – Net Impact – Not Significant

Increase Local Govt. Expenditures – Not Significant

Assumptions applied to amendment:

- Currently TRICOR recycles some license plates. In plate issuance years when TRICOR delivers new license plates to the county clerks, it picks up unused, surplus license plates. TRICOR then shreds the unused, surplus license plates and sells them to a recycler. TRICOR estimates that any revenue received from recycling unused, surplus license plates in a plate issuance year is less than \$10,000. Very few, if any, plates are recycled in non plate issuance years. Currently, new plates are issued every five years if funds are appropriated in the Appropriations Act. Since surrendering a used, outdated license plate is not currently required in order to receive a new license plate, TRICOR does not recycle used, outdated license plates. It is assumed that TRICOR would no longer recycle these license plates under the provisions of the bill as amended. This will result in a not significant decrease in state revenues and expenditures.

- A not significant increase in state expenditures to develop a program to promote recycling and to enter into contracts.
- Any increase in local government expenditures to designate a site to place a recycling bin will be not significant.
- Recycling bins will be placed and maintained by the non-profit organizations that are contracted to collect the license plates.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a long horizontal stroke at the end.

James W. White, Executive Director

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